



General Assembly

***Amendment***

***January Session, 2019***

**LCO No. 9834**



Offered by:

SEN. WITKOS, 8<sup>th</sup> Dist.

SEN. SAMPSON, 16<sup>th</sup> Dist.

To: Senate Bill No. 72

File No. 256

Cal. No. 139

***"AN ACT ESTABLISHING A TAX CREDIT FOR EMPLOYERS THAT  
MAKE PAYMENTS ON LOANS ISSUED TO CERTAIN EMPLOYEES  
BY THE CONNECTICUT HIGHER EDUCATION SUPPLEMENTAL  
LOAN AUTHORITY."***

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective January 1, 2022*) (a) As used in this  
4 section:

5 (1) "Authority" means the Connecticut Higher Education  
6 Supplemental Loan Authority;

7 (2) "Eligible education loan" means a loan issued by the authority to  
8 an individual to (A) finance attendance at an institution of higher  
9 education, or (B) refinance one or more student loans;

10 (3) "Full-time" means required to work at least thirty-five hours per  
11 week;

12 (4) "Qualified employee" means an individual who (A) is a resident  
13 of the state, (B) is employed full-time in the state by a qualified  
14 employer, (C) is not an owner, member or partner of such qualified  
15 employer or a family member of an owner, member or partner of such  
16 qualified employer, and (D) has received an eligible education loan;

17 (5) "Qualified employer" means a corporation licensed to operate a  
18 business in the state that is subject to tax under chapter 207 or 208 of  
19 the general statutes; and

20 (6) "Student loan" means any loan in repayment that was issued by  
21 (A) the authority, or (B) any other private or governmental lender to  
22 finance attendance at an institution of higher education.

23 (b) (1) For income years commencing on and after January 1, 2022,  
24 and prior to January 1, 2027, each qualified employer that employs a  
25 qualified employee and makes a payment directly to the authority on  
26 an eligible education loan on behalf of such qualified employee may  
27 claim a credit against the tax imposed under chapter 207 or 208 of the  
28 general statutes. Except as provided in subdivision (3) of this  
29 subsection, such credit shall be granted in an amount equal to fifty per  
30 cent of the amount of payments made to the outstanding principal  
31 balance of such loans by the qualified employer during the income  
32 year, provided the amount of credit allowed for any income year with  
33 respect to a specific qualified employee shall not exceed two thousand  
34 six hundred twenty-five dollars.

35 (2) A qualified employer may claim the credit under subdivision (1)  
36 of this subsection for a payment made during the part of the income  
37 year the qualified employee worked and resided in the state, provided  
38 a qualified employee who worked and resided in the state for any part  
39 of a month shall be deemed to have worked and resided in the state for  
40 the entire month for purposes of this section.

41 (3) The credit in subdivision (1) of this subsection shall not be  
42 allowed for more than five income years with respect to a specific  
43 qualified employee or against the tax imposed under chapters 207 and

44 208 of the general statutes for the same loan payment.

45 (c) A qualified employer that claims the credit under subsection (b)  
46 of this section shall provide any documentation required by the  
47 Commissioner of Revenue Services in a form and manner prescribed  
48 by the commissioner."

This act shall take effect as follows and shall amend the following sections:		
Section 1	January 1, 2022	New section